



*Utah State Tax Commission*  
*Property Tax Division*

210 North 1950 West / Salt Lake City, Utah 84134 / (801) 297-3600

**2005 ANNUAL RETURN**

This is an Annual Return to the Utah State Tax Commission of all property subject to assessment by the State Tax Commission, owned by \_\_\_\_\_ as of 12:00, on the first day of January, 2005, as required under the laws of Utah. This return must be filled out and mailed to the State Tax Commission on or before March 1, 2005 as prescribed by law.

Mailing Address: \_\_\_\_\_

FEIN #: \_\_\_\_\_

Company Name: \_\_\_\_\_

ATTN: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

State Taxpayer No. \_\_\_\_\_ Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_

I, \_\_\_\_\_, \_\_\_\_\_  
(Name) (Title\*)

of the above named company, being duly sworn, depose and say that I am the above entitled officer of the said company, and that the electronic file contains complete, true and correct listings of the costs of all property owned and/or leased by the said company in the State of Utah, at 12:00 noon, on the first day of January, 2005.

\_\_\_\_\_  
Signature

\*President, Vice President, General Superintendent, Auditor, Tax Agent, or some other general officer of such company, as the case may be, who is authorized to file such a return.

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 MINE DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION INSTRUCTIONS**

A Discounted Cash Flow (DCF) is the present worth of projected future net income. Please use this form as a guideline to project your future income and expenses. Base your future income and expenses on your mine plan. Please complete both the past year's income and expenses and project the future years' income and expenses based on the remaining economic life and reserves of the mine. Only expenses directly related to, and necessary for, the mining operations are allowed. Each non-contiguous location is considered to be a separate mine and should be reported separately.

1. **GROSS MINERAL SALES:** Enter details on Schedule 1: Identify the mineral type, number of units sold (tons, oz. etc) and the income received. Enter the total from schedule 1 on line 1 of the DCF form.

**The current administrative rule provides two methods for computing the value of self consumed minerals. Please elect one of the following methods (line 2 or line 3). Do not use both.**

2. **SELF-CONSUMED MINERALS - USING REPRESENTATIVE SALES:** Identify the mineral type, number of units sold (tons, oz. etc) and the income received. Enter the total of Schedule 2 on line 2 of the DCF form. The unit price should be based on representative sales of like minerals, determined from actual sales of like minerals sold by the taxpayer, actual sales of like minerals by other taxpayers, or posted prices of like minerals.
3. **SELF CONSUMED MINERALS - USING ALLOWABLE COSTS:** Divide Total Allowable Costs (line 27) by [one minus (discount rate plus property tax rate)] (line 47).
4. **OTHER INCOME:** All income received which is not listed above. Examples would be transportation, reimbursements. Include royalties received on this line (show detail on Royalty Schedule).
5. **PREMIUMS, BONUSES, SUBSIDIES:** The total amount received as well as projections for premiums, bonuses and subsidies etc., from the federal government or any other source. If exemption is claimed on any amounts, such claims may be stated on the return or in a letter accompanying the return.
6. **INTEREST INCOME:** All interest received on accounts directly related to the operation of the mine should be reported, i.e., reclamation and sinking funds.
7. **TOTAL GROSS INCOME:** Total of lines 1 through line 6.
8. **MANAGEMENT SALARIES:** Only the portion of management salaries which pertains to the mining operation can be used as an allowable cost.
9. **LABOR:** All labor costs pertaining to the mining operation are allowed.
10. **PAYROLL TAXES AND BENEFITS:** Include all fringe benefits and taxes associated with allowable labor costs.
11. **WORKMAN'S COMPENSATION INSURANCE:** Include the amount paid for workman's compensation insurance, or other insurance for injured employees compensation. Also include the compensation paid to the dependents of employees required to be paid under the Utah Workman's Compensation law.
12. **GENERAL INSURANCE:** General insurance policy premiums paid are allowed. Do not include a self-insurance amount which may be listed on company records.
13. **TAXES:** Include severance, sales/use taxes. Income taxes will be calculated on lines 34 and 36. Property taxes will be included in the discount rate.
14. **SUPPLIES AND TOOLS:** Include only those supply and tool costs that are essential to the operation of the mine.
15. **UTILITIES:** Include power, water, telephone costs essential to the operation of the mine.
16. **MAINTENANCE AND REPAIRS:** Include costs related to maintenance and minor repairs.
17. **OFFICE AND ACCOUNTING:** Should not include costs related to general corporate overhead of an integrated company.
18. **ENGINEERING:** Include costs necessary to provide engineering services essential to the operation of the mine and/or maintain and update the mine plan.
19. **SAMPLING AND ASSAYING:** Include non-reimbursed cost for assaying and laboratory sampling of the minerals extracted.
20. **TREATMENT:** Treatment costs of extracted minerals are allowed.
21. **LEGAL FEES:** Include those legal fees costs that are essential to the mine operation.
22. **EXEMPT ROYALTIES:** Federal, State, City, Local Government and Indian Nation royalty payments are allowed. List recipient's name, address, and telephone number (attach schedule 22). Royalties paid to individuals and corporations are not deductible. Please list them on the "Royalties Paid" schedule.

**COUNTINUED ON REVERSE**

23. **DEVELOPMENT:** Mine development costs must be deducted in the year they are projected to be incurred.
24. **FUEL:** Fuel costs are allowed. Do not include fuel that is part of line 25 (Transportation).
25. **TRANSPORTATION:** Transportation costs are allowed to the point of sale or self-consumption. Include only expenses necessary to produce the income reported.
26. **MISCELLANEOUS COSTS:** This would include other costs necessary to the operation of the mine that are not listed above. (attach schedule 26)
27. **TOTAL ALLOWABLE COSTS:** Add line 8 through line 26.
28. **NET REVENUE:** Total Gross Income (line 7) minus Total Allowable Costs (line 27).
29. **DEPRECIATION:** To calculate depreciation use the straight line method, 7 year life for equipment and 39 year life for improvements. (deduct)
30. **DEPLETION:** Depletion should be based on cost. (deduct)
31. **AMORTIZATION:** Amortization should be based on cost. (deduct)
32. **TAXABLE INCOME:** (combine line 28 through line 32).
33. **FEDERAL INCOME TAX:** Use a marginal tax rate of 35% (.35 times line 33).
34. **TAXABLE INCOME LESS FEDERAL INCOME TAX** (line 33 minus line 34).
35. **STATE INCOME TAX:** Use a marginal tax rate of 5% (.05 times line 35).
36. **TAXABLE INCOME LESS STATE AND FEDERAL INCOME TAX:** (line 35 minus line 36).
37. **PROJECTED CAPITAL EXPENDITURES:** Project future capital expenditures (deduct).
38. **CHANGE IN WORKING CAPITAL:** Do not include those caused by increases or decreases in product inventory or other nontaxable items (may be an addition or deduction).
39. **DEPRECIATION:** Same as line 29 (add).
40. **DEPLETION:** Same as line 30 (add).
41. **AMORTIZATION:** Same as line 31 (add).
42. **RESIDUAL VALUE OF PERSONAL PROPERTY:** The value of the personal property at the end of the mine life. Add to the cash flow in the last year of operation. May be computed by applying Tax Commission Depreciation Schedules to the cost of the assets remaining at the mine life.
43. **RESIDUAL VALUE OF REAL PROPERTY:** The value of real estate at the end of the mine life. Add to the cash flow in the last year of operation. You may use the current market value.
44. **CASH FLOW TO BE DISCOUNTED:** Combine line 37 through line 45.
45. **DISCOUNT/CAPITALIZATION RATE:** The current year capitalization rate is set in late February.

**PROPERTY TAX RATE:** Add the prior the year's actual property tax rate to the discount rate to obtain the property tax adjusted discount rate. The property tax adjusted discount rate is used to compute the DCF value.

*The remainder of the form will be computed by the Tax Commission.*

**“Deductibles”** If there are assets used in the mining operation and are taxed to someone else or you have already paid the taxes on them such as vehicles, please list them on the attached schedule. The book value of licensed vehicles or the taxable value of other assets will be subtracted from your income valuation. These items may include leased land and equipment. For **licensed vehicles** list the make, model, serial number, year of acquisition, original cost and your book value. For **leased land** list owner, serial number, acreage and amount paid on the lease. For **leased equipment** list make, model description and lessor's name and address on the “**2005** Leased Asset Schedule”.

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM**

TAXPAYER: \_\_\_\_\_  
MINE NAME: \_\_\_\_\_

STATE TAXPAYER NO: \_\_\_\_\_  
PROPERTY X-REF NO: \_\_\_\_\_

		ACTUAL 2004	PROJECTED 2005	PROJECTED 2006	PROJECTED 2007
<b>INCOME</b>					
1	GROSS MINERAL SALES (attach schedule 1)				
2	SELF CONSUMED MINERALS - REPRESENTATIVE SALES (attach Schedule 2)				
3	SELF CONSUMED MINERALS - ALLOWABLE COSTS		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
4	OTHER INCOME (attach Schedule 4)				
5	PREMIUMS, BONUSES, SUBSIDIES				
6	INTEREST INCOME				
7	TOTAL GROSS INCOME (add line 1 through line 6)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
<b>ALLOWABLE COSTS</b>					
8	MANAGEMENT SALARIES				
9	LABOR				
10	PAYROLL TAXES AND BENEFITS				
11	WORKMAN'S COMPENSATION INSURANCE				
12	GENERAL INSURANCE				
13	TAXES:				
	SEVERANCE				
	SALES/USE				
14	SUPPLIES AND TOOLS				
15	UTILITIES				
16	MAINTENANCE AND REPAIRS				
17	OFFICE AND ACCOUNTING				
16	ENGINEERING				
19	SAMPLING AND ASSAYING				
20	TREATMENT				
21	LEGAL FEES				
22	EXEMPT ROYALTIES (attach schedule 22)				
23	DEVELOPMENT				
24	FUEL				
25	TRANSPORTATION				
26	MISCELLANEOUS (attach schedule 26)				
27	TOTAL ALLOWABLE COSTS (add line 8 through line 26)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
28	NET REVENUE (line 7 minus line 27)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
<b>INCOME TAX CALCULATIONS AND CASH FLOWS</b>					
29	DEPRECIATION (deduct)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
30	DEPLETION (deduct)	XXXXXXXXXX			
31	AMORTIZATION (deduct)	XXXXXXXXXX			
32	TAXABLE INCOME (combine line 28 through line 32)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
33	FEDERAL INCOME TAX 35% (.35 times line 32)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
34	TAXABLE INCOME LESS FEDERAL INCOME TAX (line 32 minus line 33)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
35	STATE INCOME TAX 5% (.05 times line 34)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
36	TAXABLE INCOME LESS STATE & FEDERAL INCOME TAX (line 34 minus line 35)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
37	PROJECTED CAPITAL EXPENDITURE (deduct)	XXXXXXXXXX			
38	CHANGE IN WORKING CAPITAL (may be an addition or a deduction)	XXXXXXXXXX			
39	DEPRECIATION same as line 29 (add)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
40	DEPLETION same as line 30 (add)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
41	AMORTIZATION same as line 31 (add)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
42	RESIDUAL VALUE OF PERSONAL PROPERTY (enter in the final year of operation)	XXXXXXXXXX			
43	RESIDUAL VALUE OF REAL PROPERTY (enter in the final year of operation)	XXXXXXXXXX			
44	CASH FLOW TO BE DISCOUNTED (combine line 37 through line 43)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
45	DISCOUNT/CAPITALIZATION RATE    ** %    PROPERTY TAX RATE				

Discounted Cash Flows

Adjusted Discount Rate=CAPITALIZATION RATE + EFFECTIVE TAX RATE

Total Net Present Value

\*\* subject to change

	0.00%		

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM**

TAXPAYER: \_\_\_\_\_

STATE TAXPAYER NO: \_\_\_\_\_

MINE NAME: \_\_\_\_\_

PROPERTY X-REF NO: \_\_\_\_\_

PROJECTED 2008	PROJECTED 2009	PROJECTED 2010	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
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**INCOME**

1							
2							
3	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
4							
5							
6							
7	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

**ALLOWABLE COSTS**

8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
28	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

**INCOME TAX CALCULATIONS AND CASH FLOWS**

29	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
30							
31							
32	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
33	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
34	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
35	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
36	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
37							
38							
39	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
40	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
41	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
42							
43							
44	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
45							

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM**

TAXPAYER: \_\_\_\_\_

STATE TAXPAYER NO: \_\_\_\_\_

MINE NAME: \_\_\_\_\_

PROPERTY X-REF NO: \_\_\_\_\_

PROJECTED 2016	PROJECTED 2017	PROJECTED 2018	PROJECTED 2019	PROJECTED 2020	PROJECTED 2021	PROJECTED 2022	PROJECTED 2023
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**INCOME**

1							
2							
3	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
4							
5							
6							
7	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

**ALLOWABLE COSTS**

8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
28	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

**INCOME TAX CALCULATIONS AND CASH FLOWS**

29	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
30							
31							
32	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
33	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
34	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
35	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
36	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
37							
38							
39	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
40	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
41	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
42							
43							
44	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
45							

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM - SCHEDULES**

**TAXPAYER:** \_\_\_\_\_

**STATE TAXPAYER NO:** \_\_\_\_\_

**MINE NAME:** \_\_\_\_\_

**CLASSIFICATION:** \_\_\_\_\_

**PROPERTY X-REF NO:** \_\_\_\_\_

Mine Life: \_\_\_\_\_ Total Reserves: \_\_\_\_\_

**SCHEDULE 1: GROSS MINERAL SALES RECEIPTS**

	Actual 2004	2005	2006	2007	2008	2009	2010
Mineral Type							
Units Sold							
Income Received							
Mineral Type							
Units Sold							
Income Received							
Mineral Type							
Units Sold							
Income Received							
Total (enter on line 1)							

**SCHEDULE 2: SELF-CONSUMED MINERALS BASED ON REPRESENTATIVE SALES**

Mineral Type							
Units Sold							
Computed Income							
Mineral Type							
Units Sold							
Computed Income							
Mineral Type							
Units Sold							
Computed Income							
Mineral Type							
Units Sold							
Computed Income							
Total (enter on line 2)							

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM - SCHEDULES**

**TAXPAYER:** \_\_\_\_\_

**STATE TAXPAYER NO:** \_\_\_\_\_

**MINE NAME:** \_\_\_\_\_

**PROPERTY X-REF NO:** \_\_\_\_\_

**CLASSIFICATION:** \_\_\_\_\_

**SCHEDULE 1: GROSS MINERAL SALES RECEIPTS**

	2011	2012	2013	2014	2015	2016	2017
Mineral Type							
Units Sold							
Income Received							
Mineral Type							
Units Sold							
Income Received							
Mineral Type							
Units Sold							
Income Received							
Total (enter on line 1)							

**SCHEDULE 2: SELF-CONSUMED MINERALS BASED ON REPRESENTATIVE SALES**

Mineral Type							
Units Sold							
Computed Income							
Mineral Type							
Units Sold							
Computed Income							
Mineral Type							
Units Sold							
Computed Income							
Mineral Type							
Units Sold							
Computed Income							
Total (enter on line 2)							



**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM - SCHEDULES**

**TAXPAYER:** \_\_\_\_\_

**STATE TAXPAYER NO:** \_\_\_\_\_

**MINE NAME:** \_\_\_\_\_

**PROPERTY X-REF NO:** \_\_\_\_\_

**CLASSIFICATION:** \_\_\_\_\_

**SCHEDULE 1: GROSS MINERAL SALES RECEIPTS**

	2018	2019	2020	2021	2022	2023
Mineral Type						
Units Sold						
Income Received						
Mineral Type						
Units Sold						
Income Received						
Mineral Type						
Units Sold						
Income Received						
Total (enter on line 1)						

**SCHEDULE 2: SELF-CONSUMED MINERALS BASED ON REPRESENTATIVE SALES**

Mineral Type						
Units Sold						
Computed Income						
Mineral Type						
Units Sold						
Computed Income						
Mineral Type						
Units Sold						
Computed Income						
Mineral Type						
Units Sold						
Computed Income						
Total (enter on line 2)						

**UTAH STATE TAX COMMISSION  
PROPERTY TAX DIVISION  
2005 DISCOUNTED CASH FLOW (DCF)  
INCOME VALUATION FORM - SCHEDULES**

**TAXPAYER:** \_\_\_\_\_ **STATE TAXPAYER NO:** \_\_\_\_\_

**MINE NAME:** \_\_\_\_\_ **PROPERTY X-REF NO:** \_\_\_\_\_

**SCHEDULE 4: ROYALTIES RECEIVED**

NAME, ADDRESS & PHONE NUMBER OF PERSON LEASING PROPERTY	TONS MINED OR LEASE TERMS	AMOUNT RECEIVED
Total (Should be included on line 4)		\$

**SCHEDULE 22: ROYALTIES PAID**

NAME, ADDRESS & PHONE NUMBER OF PROPERTY OWNER	TONS MINED OR LEASE TERMS	AMOUNT PAID
Total (Should be included on line 22)		\$

**SCHEDULE 26: MISCELLANEOUS COSTS**

DESCRIPTION	AMOUNT PAID
Total (enter on line 26)	\$

**DEDUCTIBLES - PLEASE LIST**

LICENSED MOTOR VEHICLES DESCRIPTION	DATE ACQUIRED	AMOUNT PAID (COST)	NET BOOK VALUE

DESCRIPTION OF ALL OTHER PRE-TAXED ITEMS	TAXABLE VALUE

**UTAH STATE TAX COMMISSION**  
**PROPERTY TAX DIVISION**  
**2005 CAPITALIZED NET REVENUE (CNR)**  
**INCOME QUESTIONNAIRE INSTRUCTIONS**

The CNR method of valuation utilizes historical income and costs based on the taxpayer's actual operating history for the past five years, or less if operating less than five years.

Please fill in Taxpayer Name, State Taxpayer Number, Mine Name, County and Property Cross-Reference (X-Ref) Number (if known). Only income and costs for the past year (2004) are needed, if the net revenues have been filed for the previous years with the Property Tax Division. If this mine has been active in the previous five years and a CNR Questionnaire has not been filed for those years, it is necessary to file a questionnaire for each of those years. Only costs directly related to, and necessary for, the mining operations are allowed (match revenue to costs). The Taxpayer is required to complete Lines 1 through 20 and attach applicable schedules.

1. **Gross Mineral Sales** - Enter details on Schedule 1: each mineral sold, number of units sold, unit type (ton, yard, oz., etc.), value per unit and the 2004 income received. Enter the total from Schedule 1 on Line 1 of the Income Questionnaire.
2. **Self-Consumed Minerals - Using Representative Sales** - Enter details on Schedule 2: each mineral sold, number of units sold, unit type (ton, yard, oz., etc.), value per unit and the value for each type of mineral. Enter the total from Schedule 2 on Line 2 of the Income Questionnaire. The unit price should be based on representative unit sales prices of like minerals, determined from actual sales of like minerals sold by the taxpayer, actual sales of like minerals by other taxpayers, and/or posted prices of like minerals.
3. **Premiums, Bonuses and Subsidies** - The total amount received for premiums, bonuses and subsidies, etc., from the federal government or any other source, concerning settlement payment, whether paid for the mineral or the production thereof. If an exemption is claimed for any amount, such claim may be stated on the return or in a letter accompanying the return.
4. **Interest Income** - All interest received relating to the mining operation should be reported.
5. **Other Income** - Include all income received which is not listed on Lines 1 through 4 above. Examples would be transportation reimbursements, sale of assets, and royalties received. Show royalty details on Schedule 5.
6. **Salaries and Wages** - Only the portion of management salaries, which pertains to the mining operation, can be used as an allowable cost.
7. **Payroll Taxes and Benefits** - Include all fringe benefits and taxes associated with allowable labor costs.
8. **Workers Compensation Insurance** - The amount paid for workers compensation insurance, or in lieu of that compensation insurance for compensation of injured employees, and the compensation paid to the dependents of employees, required to be paid under the Worker's Compensation law of Utah.
9. **General Insurance** - General insurance policy premiums paid are allowed. Do not include self-insurance amounts that may be listed on company records.
10. **Severance Taxes** - Taxes paid to Federal, State, City, Local Governments and Indian Nations.
11. **Sales and Use Taxes** - Actual sales taxes paid, if included in reported income.
12. **Supplies and Tools** - Cost of supplies and tools purchased.
13. **Utilities** - Cost of utilities paid.

**CONTINUED ON REVERSE**

14. **Maintenance and Repairs** - Maintenance and repair costs, including capitalized repairs, should be

listed here.

15. **Office and Accounting** - Only the portion of the office and accounting cost pertaining to the mining operation is allowed.
16. **Legal Fees** - Legal fees pertaining to the mining operation.
17. **Exempt Royalties** - Federal, State, City, Local Governments, and Indian Nations royalty payments are allowed. List recipient's name and telephone number. (Schedule 17)
18. **Fuel** - Costs of fuel utilized in operating the mine are allowed. Do not include fuel that is part of Line 19 (Transportation).
19. **Transportation** - Transportation costs are allowed to the point of sale or self-consumption. Match related income and expenses.
20. **Miscellaneous Costs** - Other costs identified by Administrative Rule R884-24P-7, which are not listed above, are allowed. Engineering, sampling and assaying, treatment, development, equipment rental, environmental cleanup and other costs that apply directly to the operation of the mining property. Interest expense is included in the capitalization rate and is therefore not allowed as an expense. (All miscellaneous costs must be explained on Schedule 20 or they will be disallowed.)

**Deductibles** - If assets are used in the mining operation and are taxed to someone else, or the taxes have already been paid/or will be paid on them, such as leased land, improvements, equipment and/or licensed vehicles, please list them on the 'Additions and Deletions of Land' or the 'Additions and Deletions of Personal Property and Improvements' forms. The value of these assets will be subtracted from your income valuation. For **leased land** include: owner, serial number, acreage and amount paid on the lease. When listing **licensed vehicles** include: make, model, serial number, year of acquisition and original cost. For **leased equipment** include: lessor's name and address, make, model, serial number, year of acquisition and rental costs.



**UTAH STATE TAX COMMISSION**  
**PROPERTY TAX DIVISION**  
**2005 CAPITALIZED NET REVENUE (CNR)**  
**INCOME QUESTIONNAIRE**

Taxpayer Name: \_\_\_\_\_

State Taxpayer No: \_\_\_\_\_

Mine Name: \_\_\_\_\_

County: \_\_\_\_\_

Property X-Ref No: \_\_\_\_\_

**GROSS INCOME**

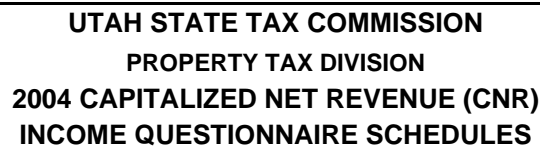
1	Gross Mineral Sales	(SCHEDULE 1)	\$
2	Self-Consumed Minerals - Representative Sales	(SCHEDULE 2)	\$
3	Premiums, Bonuses and Subsidies		\$
4	Interest Income		\$
5	Other Income	(SCHEDULE 5)	\$
	<b>Total</b>	(ADD LINES 1 THROUGH 5)	\$

**ALLOWABLE COSTS**

6	Salaries and Wages		\$
7	Payroll Taxes and Employee Benefits		\$
8	Workers Compensation Insurance		\$
9	General Insurance		\$
10	Severance Taxes		\$
11	Sales and Use Taxes		\$
12	Supplies and Tools		\$
13	Utilities		\$
14	Maintenance and Repairs		\$
15	Office and Accounting		\$
16	Legal Fees		\$
17	Exempt Royalties	(SCHEDULE 17)	\$
18	Fuel		\$
19	Transportation		\$
20	Miscellaneous Costs	(SCHEDULE 20)	\$
	<b>SubTotal</b>	(See Footnote 3) (ADD LINES 6 THROUGH 20)	\$

**FOOTNOTES:**

1. **Miscellaneous Costs:** See Income Questionnaire Instructions.
2. **Costs not Allowed:** Interest Expense, Bank Charges, Depletion, Amortization, Corporate overhead or other costs not directly related to the operation of the mining property.
3. **Costs Calculated by the Property Tax Division:** Federal Income Tax, State Income Tax, Property Tax and Depreciation.
4. **Deductibles:** See Income Questionnaire Instructions.





Utah State Tax Commission / Property Tax Division  
2005 RETURN OF ASSESSMENT  
**CONSTRUCTION WORK IN PROGRESS (CWIP) DETAIL**  
210 North 1950 West, Salt Lake City, Utah 84134

Taxpayer Name: \_\_\_\_\_ Taxpayer No: \_\_\_\_\_

County: \_\_\_\_\_ Tax Area : \_\_\_\_\_

Property Name: \_\_\_\_\_ Property No: \_\_\_\_\_

**1. Description and Expected Completion of all CWIP projects.**

Description of Projects(s)	Expected Date of Completion	Cost as of Jan 1, 2005
(a)		
(b)		
(c)		
(d)		
(e)		

**2. Current Annual Capitalization Rate =**

**3. Present Value of Construction Work in Progress**

CWIP Completion Date	Cost of CWIP	Present Value Factor	Present Value of CWIP
03/31/2005	X	0.974730734 =	
06/30/2005	X	0.950100003 =	
09/30/2005	X	0.926091673 =	
12/31/2005	X	0.902690016 =	
03/31/2006	X	0.879879702 =	
06/30/2006	X	0.857645787 =	
09/30/2006	X	0.835973708 =	
12/31/2006	X	0.814849265 =	
03/31/2007	X	0.794258622 =	
06/30/2007	X	0.774188290 =	
09/30/2007	X	0.754625120 =	
12/31/2007	X	0.735556297 =	
03/31/2008	X	0.716969329 =	
06/30/2008	X	0.698852040 =	
09/30/2008	X	0.681192562 =	
12/31/2008	X	0.663979325 =	
03/31/2009	X	0.647201056 =	
06/30/2009	X	0.630846759 =	
09/30/2009	X	0.614905724 =	
<b>Total CWIP Cost =</b>		<b>Present Value of CWIP as of January 1, 2005 =</b>	

This schedule is considered as part of the Return and is subject to the provisions mandated under Tax Commission Rule R884-24P-20 and Utah Code Annotated Sections 59-2-201 and 59-2-301.

01/01/2005



**Utah State Tax Commission**  
**Property Tax Division**  
*Natural Resource Section*  
**2005 ADDITIONS & DELETIONS OF LAND**

Taxpayer Name: \_\_\_\_\_ State Taxpayer No: \_\_\_\_\_

Name of Mine: \_\_\_\_\_ Tax Area No: \_\_\_\_\_

County: \_\_\_\_\_ Property X-Ref No: \_\_\_\_\_

Addition: ☐ Deletion: ☐

**Property Description**

Property Name: \_\_\_\_\_  
State Property No: \_\_\_\_\_  
County Serial No: \_\_\_\_\_  
Mining Claim Survey No: \_\_\_\_\_  
Location : Township \_\_\_\_\_ Range \_\_\_\_\_ Section \_\_\_\_\_  
Total Parcel Acreage: \_\_\_\_\_  
Acreage Utilized for Mining: \_\_\_\_\_

**IF OWNED:**

Date Recorded By County: \_\_\_\_\_  
County Book & Page No: \_\_\_\_\_  
Purchase Price: \_\_\_\_\_

**IF LEASED:**

From Whom: ☐ To Whom: ☐  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone No: \_\_\_\_\_  
Fax No: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Date of Lease: \_\_\_\_\_  
Terms of Lease: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

One Additions/Deletions parcel per page.

Include only land used for mining on January 1, 2005 or in the mine plan.

1/1/2005





**Utah State Tax Commission**  
**Property Tax Division**  
**Natural Resource Section**  
**2005 LEASED ASSETS**

**Taxpayer:** \_\_\_\_\_

**State Taxpayer No:** \_\_\_\_\_

**Property Name:** \_\_\_\_\_

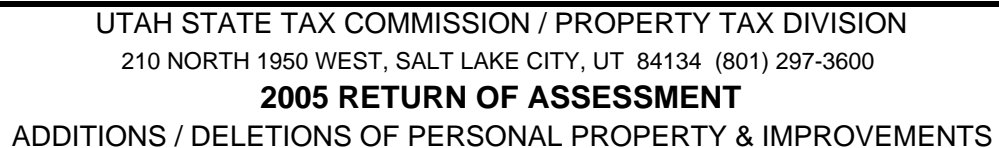
**Tax Area:** \_\_\_\_\_

**County:** \_\_\_\_\_

**Property X-Ref No:** \_\_\_\_\_

*Please list all leased assets on your mine site for which you are not responsible for paying the property taxes.*

<b>DESCRIPTION OF LEASED ASSET</b>	<b>RENTAL EXPENSE</b>	<b>EQUIP. COST</b>	<b>LESSOR</b>
			<b>NAME:</b>
			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>
			<b>NAME:</b>
			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>
			<b>NAME:</b>
			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>
			<b>NAME:</b>
			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>
			<b>NAME:</b>
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			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>
			<b>NAME:</b>
			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>
			<b>NAME:</b>
			<b>ADDRESS:</b>
			<b>TELEPHONE NUMBER:</b>



Taxpayer No: \_\_\_\_\_

County: \_\_\_\_\_

Property No.: \_\_\_\_\_

[illegible]

1/1/2005